



Insurance Commissioner Steve Poizner First 100 Days Report

Steve Poizner was elected Insurance Commissioner on November 7, 2006. In his inaugural address on January 8, 2007, the Commissioner announced that his top priorities are to fight insurance fraud, drive down insurance rates and prepare California for the next natural disaster.


Combating Fraud: California's "Top Cop" on Insurance Fraud

In his first week on the job, Commissioner Poizner announced the largest automobile insurance fraud bust in California history. Partnering with Los Angeles District Attorney Steve Cooley, the Commissioner announced the results of "Operation Storefront," an effort in which 325 law enforcement personnel from 10 agencies united to arrest 101 criminal suspects on more than 200 charges. The Commissioner and District Attorney highlighted the case to send a clear message that those who commit insurance fraud will pay the price.

In addition, Commissioner Poizner has developed a vigorous recruitment and retention effort to fill vacancies in the Department of Insurance's Fraud Investigations Unit, which has suffered a nearly 25 percent vacancy rate.

The Worst Agricultural Freeze in California History: Helping Farming Communities Get Back on Their Feet

Responding swiftly to January's agricultural freeze – the worst in California history -- Commissioner Poizner issued an "Emergency Declaration" to assist the agricultural and insurance industries. The Commissioner anticipated that there would be a shortage of qualified insurance adjusters available to respond to the crisis and took immediate action to bring in additional adjusters from out-of-state.



By acting quickly, farming communities were able to cut through the red tape of claims filing and get paid quickly, averting further economic devastation to California's agricultural industry and economy and helping farmers get back on their feet.

An estimated \$1 billion of damage to California's agricultural products occurred during the freeze. Approximately \$700 million in damages occurred to California's citrus crops. Avocado and strawberry crops also suffered extensive damage.

***Scandal at the State Compensation Insurance Fund (SCIF):
Ensuring the State of the Workers' Comp Market Remains Healthy for
California's Businesses and Laborers***

During his third month in office, Commissioner Poizner exercised his regulatory responsibility and intervened when serious management issues were discovered at the State Compensation Insurance Fund (SCIF). Following the firing of two key personnel, Commissioner Poizner ordered SCIF to take a number of actions to address management deficiencies.

Key among these actions was an independent, thorough, top-to-bottom examination of SCIF, with an immediate emphasis on the organization's management practices, finances, and administrative fee agreements.

Within days, the State Fund began implementing the changes ordered by Commissioner Poizner and emphasized that they would fully cooperate with the Department of Insurance's independent investigation.

Poizner's efforts thawed years of frigid relations between the State Fund and the Department of Insurance and helped the nation's largest workers' comp insurer take its first steps toward restructuring its organization and establishing public trust.

On the Anniversary of his 100th Day in Office, Commissioner Poizner will kick off a statewide effort to unveil his "Strategic Vision for 2007 and Beyond." This plan outlines his plans to ensure that the Department of Insurance is the nation's #1 Consumer Protection Agency.